

IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION
UNITED STATES OF AMERICA,
Plaintiff, No. 1:21cr40
vs.
CHRISTOPHER ALLAN BODEN,
Defendant.

Before:

THE HONORABLE ROBERT J. JONKER,
U.S. District Judge
Grand Rapids, Michigan
Friday, February 25, 2022
Sentencing Proceedings

APPEARANCES:

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On behalf of the Plaintiff;

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On behalf of the Defendant.

REPORTED BY: MR. PAUL G. BRANDELLI, CSR-4552, RPR, CRB

1 02/25/2022

2 (Proceedings, 3:02 p.m.)

3 THE CLERK: The United States District Court for the
4 Western District of Michigan is now in session. The Honorable
5 Robert J. Jonker, chief judge, presiding.

6 THE COURT: All right. We're here on the case of the
7 United States against Christopher Boden, 1:21cr40. It is the
8 time set for sentencing, and let's start with appearances,
9 please.

10 MR. PRESANT: Good afternoon, Your Honor. Justin
11 Presant on behalf of the United States.

12 THE COURT: Thank you.

13 MR. LENNON: Good afternoon, Your Honor. Brian Lennon
14 and Paul Beach, Warner, Norcross & Judd, and we are flanking
15 our client, Chris Boden.

16 THE COURT: Thank you. Welcome everyone.

17 Let me summarize what I have received from the parties
18 and make sure I have everything in hand that the parties wanted
19 me to have. I do have the presentence report from our
20 probation officer, Ms. Gonzalez. I have a sentencing
21 memorandum and a motion for downward variance from the Defense,
22 so both of those on behalf of Mr. Boden, which include a number
23 of letters, a lot of letters actually, a separate motion for
24 variance that really introduces the brief from the Defense, and
25 then a government motion on a number of issues as well. There

1 are two forfeiture orders. One I think has already been
2 entered with respect to all the Defendants for some in kind
3 forfeiture of cryptocurrency, but then the proposed money
4 judgment in this case as well. I think that's it. Anything
5 else I should have from the government in written form,
6 Mr. Presant?

7 MR. PRESANT: No, Your Honor. The Court has all our
8 materials. Thank you.

9 THE COURT: Mr. Lennon?

10 MR. LENNON: No, Your Honor. Thank you.

11 THE COURT: Okay. Thank you. The case came in under
12 a plea agreement. It did call for dismissal of a number of the
13 charges in exchange for Mr. Boden's plea to several of them.
14 Three in particular. I do think that under 6B1.2 of the
15 guidelines and related authority that that's a fair resolution
16 of the case that honors the purposes of sentencing and I am
17 accepting the plea agreement and would invite the government's
18 motion to dismiss the affected charges?

19 MR. PRESANT: Yes, Your Honor. The government now
20 moves to dismiss Counts 1, 3 through 15, 17, 19, 20 and 22
21 through 28.

22 THE COURT: All right. So I'll go ahead and grant the
23 government's motion on that, leaving us with the three
24 convictions, Count 2, Count 16 and Count 21. And the guideline
25 determinations on those counts combined, I think there are some

1 disputes or at least one on the guidelines, but then regardless
2 of where we wind up on the guidelines, there is certainly a
3 difference of opinion between the parties on where the Court
4 ought to end up as a final matter. Let's go through the
5 guidelines.

6 So we have 22 points to start. That's the base level.
7 Eight plus fourteen for the amount of loss. Six were tied to
8 knowledge of drug proceeds being involved in some of the
9 transactions. Four points added to account for the business of
10 money laundering, and then two points added for sophisticated
11 means. I am not sure that's the exact way that the guideline
12 characterizes that two points, so I am looking for it, but in
13 any case we get to 34 when you add all that up.

14 There is a four-point role enhancement that the
15 probation officer has recommended that the Defense disputes,
16 but under the PSR that takes us to 38. Probation officer
17 recommends acceptance, and I don't think the government is
18 objecting to it, though its brief at times made me wonder.
19 Does the government object to acceptance or not?

20 MR. PRESANT: Not as a guideline matter, Your Honor.
21 Those are 3553(a) arguments.

22 THE COURT: Okay. And then -- I understand that, and
23 we'll hear from the parties on that I'm sure, but as a
24 guideline matter then two points would come off for acceptance.
25 I would grant those two myself. And is the government moving

1 for the third?

2 MR. PRESANT: Yes. The government so moves.

3 THE COURT: So I'll grant that. So under the PSR and
4 that scoring we'd be at a level of offense 35. Criminal
5 history is category I, and the resulting guideline on the chart
6 would be 168 to 210 months at that level. Is the government
7 satisfied with those guidelines?

8 MR. PRESANT: The government agrees with the scoring,
9 Your Honor. Yes.

10 THE COURT: Okay. And Mr. Lennon, other than the role
11 objection, do you have other guideline objections?

12 MR. LENNON: We don't, Your Honor. For clarification,
13 I think the sophisticated means was tied to the tumbling and
14 mixing. So the guidelines are --

15 THE COURT: Sophisticated laundering, right.

16 MR. LENNON: Yes, sir. The guidelines are technically
17 correct, Your Honor.

18 THE COURT: Okay. Very good. Well, why don't we do
19 this. I know that the Defense position is, notwithstanding
20 those guidelines, the Court ought to vary downward to a
21 non-custodial sentence. The government does not agree with
22 that. In the course of articulating each side's position, you
23 inevitably are going to talk about role. So let me hear the
24 Defense presentation as a whole, Mr. Lennon. Everything on
25 guidelines, variance, 3553 allocution and the like, and then

1 we'll give the government the same opportunity, and we'll give
2 Mr. Boden a chance to speak in between.

3 MR. LENNON: Thank you, Your Honor.

4 And Your Honor, thank you for -- it was -- considering
5 both pleadings that we had filed, we filed that motion for a
6 variance with admittedly a lot more letters than I've ever
7 submitted, but frankly --

8 THE COURT: It's probably more than I ever read for a
9 single sentencing, too.

10 MR. LENNON: Well, and I have heard some judges say no
11 more than 10, so we took a risk, and that's why we wanted to
12 give it to the Court as early as possible. Also, just with the
13 volume of material and some of these people who wrote letters,
14 Your Honor, are here today some as far as Texas and Kentucky to
15 support Chris.

16 But I also appreciate the opportunity to address the
17 Court at the -- as being the last -- representing the last
18 Defendant of the Co-Defendants. And I'll get to leadership,
19 you know, very quickly and very succinctly, Your Honor, the one
20 outstanding scoring objection. But there's never been any
21 question that Christopher Boden was the leader and organizer of
22 everything, of all these people that were back here, of all the
23 members there. That's just who he is. That's his personality
24 in all the community service initiatives.

25 So it was never a matter -- and I'll address it now.

1 It's never a matter that he was a leader or organizer,
2 including of the conduct set forth in the indictment. It's
3 just a question, frankly, Your Honor, whether it involved five
4 or more people. We believe that it involved four, the four who
5 were named Defendants, both Mr. Swink earlier, and the three
6 Defendants in this case.

7 So our point on the leadership objection is not to
8 dispute that he was a leader/organizer. It's just the number
9 of participants. And if the Court were to agree with that
10 argument we'd still be at guidelines of 31/I, which is 135 to
11 168, which we believe and respectfully submit far overstates
12 the nature and circumstances of the offense and is so great --
13 greater than necessary to achieve the purposes of sentencing.

14 So that's our argument. It didn't involve five or
15 more people, and that was what I believe Officer Gonzalez had
16 in the initial report. It was changed after the objection
17 meeting. We believe she was right with her recommendation
18 initially and respectfully ask that that be reduced to two.

19 So the other advantage of being last is I was able to
20 attend the sentencing earlier this week of Ms. Vogt,
21 Mr. Boden's wife, and Mr. DeJager, and where Christopher Boden
22 was discussed at some great length. So I am hoping to use
23 today's kind of walk through the factors here of 3553(a) to
24 address not only the arguments we have prepared but also some
25 of the Court's concerns and some of the new and renewed

1 arguments that were made by the prosecution, and particularly
2 when we look at the nature and circumstances of the offense.

3 The specific offense characteristics in paragraph 67,
4 68, 69, which totals 12 points, we specifically ask the Court
5 to make a finding similar to what the Court made in
6 Mr. Dejager's case and Ms. Vogt's case is that it vastly
7 overstates the nature and circumstances of this offense. So as
8 the Court did earlier this week we respectfully ask the Court
9 to do the same here.

10 If both of those things were done, Your Honor, we
11 would have a resulting guideline for effective purposes today
12 of level 21, criminal history category I, which comes to an
13 advisory range of 35 to 46 months, and I respectfully submit
14 that that is a more appropriate starting point from which the
15 Court can and must impose its duty of imposing a sentence that
16 is sufficient but not greater than necessary to comply with the
17 purposes of sentencing.

18 So in addressing some of the Court's concerns, some of
19 the new, or new suggestions by the government, if we turn first
20 to kind of the seriousness of the offense, and I think there
21 was a comment that, or at least an inference made in the
22 government's pleading that the seriousness was not recognized.
23 At no time has Mr. Boden or any of the Co-Defendants or their
24 lawyers ever said in a reply that these crimes are not serious.
25 As the Court explained, the Title 18 United States Code 1960,

1 which was broadened and strengthened post 911 through the
2 Patriot Act, is a tool to stop clandestine financing for
3 terrorist organizations. And if that was going on here, Your
4 Honor, or the financing of some domestic or international drug
5 organization, then these guidelines would be absolutely
6 appropriate. And I am talking about the higher ones. That's
7 not the case here. And pointing to what Mr. Boden and The Geek
8 Group were doing while violating the law was, you know, just
9 simply pointing out the difference between the intent of 18 USC
10 1980 and what Mr. Boden and the Co-Defendants were doing in
11 this case does not show a lack of seriousness from Defense.
12 It's just simply to distinguish the nature and circumstances of
13 this offense.

14 Going to the promotion and respect for the law.
15 Mr. Boden is not blaming law enforcement or the prosecution for
16 the demise of The Geek Group. He never did. Mr. Boden has
17 always had a good working relationship with law enforcement.
18 There were police officers counted among the members of The
19 Geek Group. Police had asked and received The Geek Group's
20 surveillance videos when crimes in the surrounding area were
21 being investigated.

22 After Mr. Boden fired a volunteer who The Geek Group
23 allowed to live in the building after that volunteer was
24 sexually harassing several women, the police, Grand Rapids,
25 were called often on complaints. Even the SWAT team showed up.

1 And among the materials Mr. Boden submitted to the probation
2 officer was a picture, a selfie that he took with the SWAT team
3 on one of these calls where they were falsely targeted, again,
4 we believe by this volunteer who was very publicly removed and
5 his friends.

6 And Mr. Boden doesn't blame and has never blamed the
7 federal agents who he spoke with for hours before he finally
8 called me to come to The Geek Group on the day of the raid on
9 December 18th. He spoke to them at length. He has never had
10 anything but respect for law enforcement, and he has never
11 blamed the government or law enforcement for this. What he has
12 said is that after that raid and the public media coverage
13 afterwards, that led to the demise of The Geek Group.

14 Mr. Boden's comment that if we were doing something
15 wrong and the -- so I just want to let the Court know that that
16 was also very publicly done. So I want to address that a
17 little bit more when I talk about the general deterrence that
18 the Court is interested in hearing about.

19 So the -- Mr. Boden has always understood, at least
20 now understands that the demise of The Geek Group was
21 inevitable, and when you hear from him today he is taking full
22 responsibility for that and not trying to blame anyone else,
23 specifically law enforcement.

24 There were a couple comments that Mr. Boden, or have
25 been associated with him I'd like to comment on. And you know,

1 he would tell you -- he is the first one to acknowledge that
2 his mouth many times runs about five times faster than his
3 brain.

4 THE COURT: Five seconds faster is what I think he
5 said in his submission to the probation officer.

6 MR. LENNON: Seconds, minutes. I think with my time
7 it probably is seconds more often than minutes, but the fact of
8 the matter is there are some things that he said that, you
9 know, he obviously would like and I'd like to give some context
10 to. And one of those -- and again, these should not be
11 looking -- these should not be looked at, you know, in a
12 vacuum. One of those comments, Your Honor, was when he said,
13 you know, I just thought when I did do something wrong the, you
14 know, law enforcement would come and tell us that we did
15 something wrong. And that's just not just, you know,
16 breathtaking naivete. That's actually experience of what had
17 happened at one point at The Geek Group. I believe it was in
18 2018 when they obtained some radios so that they could
19 communicate with one another, 14, get some radios that they
20 could communicate with one another in this large building.
21 They were obtained by a member on-line and very inexpensively.

22 Well, they later learned why they were so inexpensive.
23 The frequency being used was too close to the frequency being
24 used by first responders, and in that case someone from the FCC
25 showed up at The Geek Group, explained the problem. They

collected the radios, got rid of them, replaced them, and in the meantime used the opportunity, Mr. Boden did, to tell this person from the FCC about what was going on there. Again, kind of one nerd to another.

So the fact that he says that he -- and they have at all times acknowledged -- you know, nobody is trying to say they didn't know what they were doing wrong, but they thought it was going to be handled a different way. Not a crime but something that needed to be addressed.

The other involved Mr. Boden's thought process and decision making involving the undercover agent's request to buy bitcoin to facilitate the undercover agent's purported cocaine trafficking. You know, in addition to the well-documented desperation to keep the lights on and the programming going, Mr. Boden has acknowledged that he wasn't getting any of the cocaine. At least this is how his thought process went on. I am not getting this cocaine. We are not dealing with it. He wasn't getting any cut of the cocaine sales. This was a world that he was not familiar with, and he went into salesman mode. In fact, the interaction has so many statements that are objectively false because he is trying to make this sale and get this money that it's just preposterous. If there had been any kind of due diligence on what was going on at The Geek Group from the time of the raid until the time of the indictment came down it would have been clear that these

1 statements are not true, objectively false.

2 So we get to, Your Honor, some of the other factors
3 here. And again, I want to address some of the concerns that
4 were raised. The last two factors of 3553(a), the need for
5 educational or vocational assistance or to protect the public
6 from future crimes of Mr. Boden. I think they are clearly not
7 applicable. From what the letters show, from what his history
8 is, from his, you know, great remorse that he has shown both
9 with the U.S. probation office and will today again with the
10 Court, there is certainly no reason that the sentence should
11 need to consider that Mr. Boden may be a future -- may be a
12 future danger to the community.

13 One of the questions or issues that was floated was
14 this marriage between Mr. Boden and Ms. Vogt and specifically
15 the timing thereof after the raid in December of 2018. And I
16 think the inference that was trying to be made was the fact,
17 well, isn't that convenient as married couples they can't
18 testify against one another. That was so far from the truth.

19 THE COURT: I don't think anybody has ever suggested
20 that that was the motivation for marriage.

21 MR. LENNON: Certainly was my takeaway was the
22 timing --

23 THE COURT: I think sometimes what you take away may
24 be worse than what the government is inferring or what I am
25 even thinking, but I don't think there was any suggestion ever

1 from the government and certainly not from me that there was a
2 reason for them to marry other than they had been great friends
3 for 20 years and wanted to marry.

4 MR. LENNON: And traumatic events like going to war or
5 someone's health problems, they often bring people to bind in
6 marriage. So I won't address that any longer, Your Honor. I
7 am glad the Court is not considering that.

8 There was also a reference in Mr. Dejager's letter
9 about the black book, this black book that he was shown during
10 a proffer. There was a great explanation for that. Those pass
11 codes that were in that book which were compiled not by
12 Mr. Boden, by one of his friends, who is -- who supplied
13 letters today, was to keep the passwords for Mr. Boden's
14 bitcoin. He also, however, at the request of the person who
15 drafted or put the notations in there and some elderly clients
16 asked Mr. Boden to keep a copy of their passwords in case they
17 lost them. They did it because they trusted him. They knew he
18 wouldn't steal anything, and he didn't steal anything here.
19 Mr. Boden has stolen nothing. There are no victims in this --
20 in these crimes. So whether Mr. Dejager was just, you know,
21 surprised that -- of the existence of this book, I don't know,
22 but there is certainly nothing nefarious about it.
23 Now, the government did suggest yesterday or a --
24 yesterday I believe there was some kind of equivalence of the
25 purpose and intent of The Geek Group and their Defendants to

1 drug traffickers. Sale of bitcoin generally at The Geek Group
2 and by Messrs. Boden and DeJager dealing with the uncover
3 specifically was to keep the heat on, utilities paid, and to
4 continue its community service activities. A substantial part
5 of the undercover's buy money was not even recovered when the
6 agents raided the building because Mr. Boden had given that to
7 his wife to go pay bills. This is very different than a drug
8 dealer who justifies pushing poison on the community to feed
9 one's family.

10 The laundering for other drug dealers in Count 28 are
11 also arguably a bit overstated. Did some community members buy
12 small increments of bitcoin from The Geek Group to buy user
13 quantities of marijuana from others? Sure. Not a hand-to-hand
14 drug deal with Mr. Boden or anyone else or any of The Geek
15 Group volunteers at the front desk. He never denied knowing
16 that some members of the community purchased small amounts of
17 bitcoin to obtain marijuana elsewhere.

18 There was a large yellow sign, Your Honor, outside the
19 building that said, you know, we sell bitcoin. So this conduct
20 that is now being prosecuted and has been prosecuted in which
21 Mr. Boden takes full responsibility for was done in an open and
22 notorious manner, and I think that's important when looking at
23 all the factors, the history and characteristics as well as the
24 nature of the offense here.

25 THE COURT: Well, just so I understand, there is no

1 doubt there was a sign. There is no doubt there was a bitcoin
2 terminal, but to say the counter sales were open and notorious
3 in the same way, that's part of the government's point, right,
4 that they weren't sales at the standard transaction terminal.
5 They were behind-the-counter sales, call Mr. Boden sales.
6 Takes a bigger cut because of the anonymity and the ability to
7 provide what in his words were clean bitcoin.

8 MR. LENNON: Right.

9 THE COURT: So I mean to say -- if it's not -- what I
10 don't think is true from my reading is that the yellow sign
11 outdoors and the terminal inside, it's not just a buy and sell
12 bitcoin exchange. So that's part of the issue. There was
13 certainly a desire to get bitcoin customers in the door, but
14 then there was a desire to get some of them to the counter
15 where he could take a bigger cut in exchange for what his
16 competitive advantage was, which was anonymity.

17 MR. LENNON: Well, yes, Your Honor. We are not
18 disputing that the larger customers were directed to Mr. Boden.
19 But what I'm saying is that this is -- this is not a situation
20 where it was all word on the street or that we had some kind of
21 clandestine bitcoin sales going on. That was the point there.
22 There is no doubt that larger transactions like in many
23 businesses they called Mr. Boden and he handled those. But on
24 the -- he was not -- nobody is denying that anonymity was
25 important, but it's not only to protect or to undercut the bank

1 secrecy rules. I mean, in bitcoin transactions, as I
2 understand, that if at some down time down the trail maybe up
3 to four times that bitcoin is used for some illegal purpose
4 they can come in and shut down accounts.

5 They -- there also, I believe, was an educational
6 curiosity of doing this. And that also goes again to intent.
7 They did, albeit incorrectly, list bitcoin profits on their
8 2018 tax returns. They have acknowledged they forgot it.
9 Didn't put it on the 2017, and obviously now going over the tax
10 returns they didn't declare it properly in 2008. But this I
11 think underscores in some degrees the, you know, the nefarious
12 nature. And there is no doubt it was illegal, and there is no
13 doubt that the intent that they had violates the statute, but
14 there is more to it. Context is not everything but it's
15 important.

16 Finally, Your Honor, I just would address a couple
17 things here and that is, you know, we -- we ask the Court for a
18 non-custodial sentence, and -- but we understand that
19 Mr. Boden's conduct is certainly closer to that of
20 Mr. Dejager's than it is to Ms. Vogt, who also had some very
21 serious medical issues, which obviously Mr. Boden would like to
22 be here and help her through those. But the one thing that I
23 think the Court can consider on general deterrent is the fact
24 that what happened to The Geek Group, what happened to
25 Mr. Boden was very, very public. The public would probably not

1 know that Mr. Dejager, you know, lost his job, which is very
2 unfortunate and not uncommon. That's -- usually when you are
3 charged and plead guilty to a crime you know who your real
4 friends are, and it's a shame that so many people abandoned
5 Mr. Dejager, but Chris Boden and the Vogts and The Geek Group
6 did not, and they are not abandoning Mr. Boden here today.

7 We respectfully ask for a sentence like Mr. Dejager's
8 of 10 months, and we'd ask that that is a reasonable variance
9 from what the effective or realistic guidelines would be, which
10 is level 21, criminal history category I. And unless the Court
11 has some specific questions I know that Mr. Boden would like to
12 address the Court.

13 THE COURT: All right. I don't right now. Thanks,
14 Mr. Lennon.

15 You don't have to say anything, Mr. Boden, but it is
16 your privilege to say whatever is on your mind, and more
17 importantly what you think should be on mine. And if you'd
18 like to take that opportunity, you can stay seated there or use
19 the podium, whatever you are most comfortable with.

20 THE DEFENDANT: Thank you, Your Honor.

21 I started writing this the night of the raid.

22 Just cool but be here for the love of God. I
23 understand why they give you these to hold on.

24 Greetings, Your Honor, sir. I am sorry. I can't do
25 it.

1 THE COURT: Just take a minute to settle yourself if
2 you can. It's a very unnerving place to be obviously.

3 THE DEFENDANT: I have been trying to read this for
4 days.

10 THE DEFENDANT: Yes, sir.

11 I am sorry to the incredible people right behind me as
12 they have been for years, my friends, colleagues and community.
13 I am sorry that my shameful actions and idiotic choices have
14 left them as the real victims in this case.

15 I am sorry with everything that I am -- can you get me
16 through the first two paragraphs, please?

17 MR. LENNON: I am sorry with everything I am and all I
18 beg is their understanding. I am an idiot and now a felon but
19 I have taught them for decades that every person you meet has
20 something to teach. I stand here today as a living lesson that
21 choices matter, actions have consequences, and that we all do
22 stupid things from time to time. To all of you I am sorry
23 beyond words.

24 THE DEFENDANT: There was no way I was getting through
25 that.

1 Your Honor, sir, I am radiantly naive and the dumbest
2 smart person I know, but I am not by nature or nurture an evil
3 man. I have spent a lifetime firmly in the belief that
4 curiosity never killed anything by a few hours, doing
5 everything I could with whatever resources I could muster to
6 educate, inspire and entertain anyone with a sincere and
7 passionate desire to learn.

8 Don't wipe your nose on your suit.

9 THE COURT: There should be Kleenex nearby, too.

10 THE DEFENDANT: It's okay. It's okay.

11 After spending a lifetime throwing lightning bolts
12 across a room of children without killing anyone my ego
13 compelled me to think I was far more intelligent than I am.
14 The world of bitcoin is the wild west. It's nothing like
15 science and engineering, and I was absolutely unprepared to
16 understand the terrifying people it attracts and the subtle but
17 powerful dangers it carries. I quickly learned my ego is an
18 unreliable narrator.

19 Wow. I suck at this.

20 A crazy German once wrote, he who fights with monsters
21 should be careful lest he thereby become the monster, and he
22 was right. I fought for logic, reason and common sense, and
23 yet when I was given a choice to use them in the face of evil
24 abandoned those lessons out of desperation, fear and stupidity.
25 I rationalized it to myself as the lesser evil. Better to take

1 his bad money and use it for good and then to not take it and
2 lose all we'd worked for.

3 Fuck.

4 I believed if I could hold it together long enough we
5 could find more ethical, honorable and more, most importantly,
6 legal means of support. I fought foolishness and became a
7 fool. I made bad choices to try and save my company.

8 Take over a minute. I don't want to waste everybody's
9 time.

10 THE COURT: You are not wasting time. Just take a few
11 minutes. You know, your natural habit in some ways is writing.
12 Not that you haven't done a lot of public speaking.

13 THE DEFENDANT: Yes.

14 THE COURT: But you like to talk about the science and
15 the things that excite you and this doesn't excite you. This
16 is a burden. I get that. And so you take it out in writing,
17 and you know, the officer who is here, Officer Gonzalez, who
18 wrote the PSR, gave me your, what you called your dossier.

19 THE DEFENDANT: She gave you the whole thing?

20 THE COURT: All 500 pages of it, and I can't say that
21 I read every line in it. There were several attachments, too.
22 But you know, you have a lot of good stories in there. Your
23 Moonrise Kingdom story from your, you know, age 15, and that
24 experience. I don't know if you've ever seen the movie
25 Moonrise Kingdom, but you know, you might want to watch it

1 because it's what it reminded me of reading your story from the
2 15 year old. The reason I bring it up is you ventured off, you
3 and your companion at the time, and a lot of rotten things
4 happened. A lot of good things happened that week, and you
5 came back and you managed to stand with the help of people who
6 were there for you in your life. And you got your lawyer
7 standing next to you now. And I think when all is said and
8 done, if you can read it yourself you'll feel better.

9 THE DEFENDANT: Yes, sir.

10 THE COURT: So just take a few minutes. Just get
11 settled and do the best you can because this isn't the first
12 time you have walked into a situation where, you know, you
13 looked back and whatever you got out of it. As you said, you
14 can learn from everybody. There was plenty to regret. And
15 there were other examples in your materials as well. I get it.
16 Writing is a different thing than speaking out loud in a public
17 setting, especially to a Judge who has got to consider
18 sentencing, but I think when all is said and done, whatever the
19 outcome, you are going to feel more complete if you have
20 managed to read at least most of it. So take a few seconds and
21 gather. If you can't, Mr. Lennon is right there. He'll read
22 it.

23 THE DEFENDANT: This would just be a lot easier if I
24 could teach you how a Tesla coil works.

25 THE COURT: You probably couldn't teach me.

1 MR. LENNON: Put yourself in a turbine cleaning out
2 all the junk.

3 THE DEFENDANT: Oh, thanks.

4 I made bad choices to try and save my company because
5 I was too stupid to realize we had already failed years ago.

6 We wrote 4,000 grant applications that year for three positive
7 answers and only one -- and one resulted in baseball tickets.

8 I am not smart enough to figure out how to pay the gas bill
9 with baseball tickets. I was too stubborn, proud and stupid to
10 quit even though I was crying myself to sleep on a regular
11 basis in an unheated mechanical room that I called an
12 apartment.

13 THE COURT: I didn't hear that. That you called what?

14 THE DEFENDANT: An apartment.

15 THE COURT: Thank you. Okay.

16 THE DEFENDANT: It was up in the attic at the lab.

17 Age alone does not grant intellect, and wisdom is
18 something I've never been blessed with until the moment after I
19 needed it. They filled libraries with things I don't know, but
20 I know right from wrong, and I know the bad choices I made were
21 wrong. I knew it was wrong when I made the choices, but fear,
22 ego and stubbornness wouldn't let me accept the obvious
23 alternative.

24 || Turbines.

Leadership is a gift given by those that choose to

1 follow. More than anything I cared about not failing these
2 incredible people who counted on me.

3 Turbines.

4 My pride and desperate need to not fail them ended up
5 destroying it all. Our entire community watched on the day of
6 the raid as my desperation and bad choices turned into
7 catastrophic and terrifying results.

8 The first person this hurt was a police officer who
9 had known us and followed our growth for years. As I sat in
10 handcuffs on the front counter while the agents ransacked the
11 building, he leaned with his back against a post, not six feet
12 in front of me, quietly fighting back his own tears. Seeing
13 this scared me more than the agents did. He knew what was
14 happening in ways it would take me months to understand.

15 I really am much more eloquent than this when I am
16 composed.

17 THE COURT: Take your time.

18 THE DEFENDANT: We had already been circling the drain
19 for years, operating a loss of about \$20,000 a month on average
20 and hanging by a thread. Within 48 hours of the raid we had
21 lost every corporate donor and foundational supporter we had
22 worked years to earn. On the third day we met together and all
23 agreed that we were out of business forever. The government
24 did not shut us down. The nuclear PR hit, which was entirely
25 caused by my bad choices, is what finally killed us.

1 I have accepted full personal responsibility for all
2 of the remaining debts, including a severance to the
3 magnificent seven, the staff members who stayed until the end.
4 It totals roughly \$310,000 and is part of the personal
5 restitution I have been working on for years. Starting shortly
6 after our shutdown I began making monthly payments and taking
7 tangible positive action to help the people that my actions
8 have victimized. Instead of giving up and walking away as most
9 companies do, with only seven staff members remaining, we
10 stayed behind, cleaned the entire building and sold everything
11 we could.

12 Turbines.

13 The money went to cover bills, lawyers and the costs
14 of closing down a corporation. My personal lab gear and tools
15 were often just given away as atonement, the first phase of
16 restitution to the real victims of my crimes, my students.

17 I suck at this so bad.

18 MR. LENNON: Just take your time.

19 THE DEFENDANT: The research equipment and tools, my
20 life's work, were handed off to young scientists and tinkerers,
21 many of whom traveled thousands of miles to have their vehicles
22 loaded to the rails. Hundreds of people would come with a few
23 bucks saved up from their allowance and leave with tens of
24 thousands of dollars in equipment. Dozens of personal
25 workshops, college degrees and even careers for young

1 scientists and engineers are now growing from those seeds I
2 cast to the winds years ago. I still have the honor of working
3 with many of them on a daily basis as you have read in the
4 letters.

5 I lost my home, built it to an old mechanical room in
6 the lab. I was one of many staff members to call the lab my
7 home and five of us still live together and work together to
8 this day. My ignorance and bad choices instantly destroyed my
9 reputation, nullified years of my life, and changed the first
10 line of my obituary. People don't read past the headline when
11 someone in the nonprofit world when someone is convicted due to
12 money, and in a time when we have an unprecedented need for
13 teachers, when our nation so desperately need those that
14 champion logic, reason and critical reason, I will never be
15 worthy to appear before a classroom again.

16 No rational person who chooses to spend a life working
17 in education is motivated by money. We choose to make a
18 difference rather than making a profit. I knew it would be
19 difficult. I have lost everything I owned several times trying
20 to build this stupid dream, but the hardships we endured
21 together were a badge of honor we shared.

22 When you are 18 and during a Michigan winter working,
23 living and sleeping in a cavernous old warehouse with no heat
24 is an adventure. It's a lesson in humility, discipline and
25 persistence. Doing that in your 40s is just a miserable

1 torture and a daily reminder that you've made some pretty dumb
2 life choices.

3 After working so many years chasing this impossible
4 dream I am honestly just thankful it's over. Certainly I wish
5 I could have been smart enough and brave enough to have ended
6 it myself. I wish I could have ended it in just about any
7 other way, but the job was killing us, and in my heart I am
8 just thankful we are done. I was trapped between my duty to
9 the community, our volunteers screaming purpose, and a place to
10 belong and a relentless debt of trying to shoulder too much
11 responsibility with too little financial support. I am a
12 decent teacher but an incompetent businessman and have no
13 desire to ever run a company again.

14 For decades I had the personal motto that there is no
15 such thing as a failure that keeps on trying. What I've
16 learned in all of this is that the giant collection of Nike
17 sports heroes saying never give up have never been in my shoes.
18 Learning that there absolutely is a time to quit was the first
19 of many hard lessons I have learned since the day this
20 relentless nightmare began. My new motto, by the way, is you
21 cannot keep others warm by setting yourself on fire.

22 Your Honor, sir, I have been blessed with an
23 extraordinary life. I wasn't smart enough, fast enough to
24 choose fun, bright and profit. But the paths of science, nerds
25 and nonprofit empowered me with the ability to serve others in

1 a million meaningful ways. To service, the teaching and the
2 helping, that's my life. I was trying to survive in the
3 dangerous world of business with too much ego and too little
4 education to put me in a position of no options but bad
5 choices.

6 While I don't begin to understand a courtroom nearly
7 as well as a classroom, I imagine that most people standing
8 here with their heart in their hand attempt to convey how much
9 they promise to change. They swear to become a completely new
10 person and you're tasked with the burden of balancing the
11 scales of justice. On one side every saint has a past and on
12 the other every sinner a future. I stand before you, Your
13 Honor, with all respect and deference to the power and
14 authority entrusted to you through nothing short of an act of
15 Congress and promise only to be who I already am.

16 I am a shattered fool, a broken dreamer but a genuine
17 and good person, a slow learner who makes frequent mistakes,
18 but those mistakes come with lessons that I not only eventually
19 learn but immediately endeavor to teach to others. I have made
20 a fool of myself publicly and often if it means that sharing my
21 scars can help others avoid getting their own.

22 Many people I have had the honor to work beside who
23 have been through this exact stage of the criminal justice
24 system seem to do so by spending their present living in the
25 wreckage of their future. I have not. Certainly I am

1 terrified of what may come and the combination of not only
2 destroying my past work but so much of my future has given me a
3 Ph.D. in random crying, but instead of wasting that time I have
4 worked every day to build a new life from scratch and to
5 develop small scale resources to continue serving my community
6 at a manageable scale.

7 By myself with a tiny basement workshop and a handful
8 of weirdos, and sponsored only by a rag tag handful of my
9 fellow weirdos and nerds, I have created hundreds of broadcast
10 quality educational videos. Many of them are even being used
11 for engineering classes at local universities today. They were
12 made at zero cost to any school and given freely to the world.
13 I have made so many educational videos that I've had to create
14 three new channels just to broadcast them all. There is over
15 60 episodes in the Project Archie robot series alone and I am
16 only halfway done with that.

17 Though disgraced I am not done. With consistent
18 persistence I have helped hundreds of people in lasting,
19 tangible, positive ways through my roadside emergency project,
20 through getting a homeless family out of a seedy motel and into
21 a house they could afford, to buying a family in Virginia a new
22 furnace this Christmas, through helping a young son in
23 Pennsylvania pay his mom's mortgage a few months ago, to
24 building and giving away countless laptop computers, tools and
25 the occasional bicycle to people who just need a leg up over

1 the momentary hurdle in their life. And these are just the
2 best documented examples from the past year alone. Not with
3 The Geek Group. Just me and some friends.

4 There isn't a person sitting behind me right now whose
5 life I haven't improved in some positive tangible way, and this
6 is only a small sample. I have published three books in three
7 years with three more in progress. I have so many half
8 finished good ideas and ongoing projects that I have a black
9 belt in partial arts. I do this, Your Honor, because it's who
10 I am, because despite overwhelming evidence to the contrary, I
11 hold a relentless belief in the fundamental good of my fellow
12 man. I know I carry an irrational level of optimism and my
13 broken brain is hardwired with a compulsion to help people.
14 It's how I've been my entire life and now I see it as more than
15 serving my community. I am impassioned with a need to atone
16 for my sins. The charges brought before me are by the entire
17 United States, and thus, it's to the people up there that I owe
18 my restitution and my service.

19 I don't wish to be a martyr, a savior or a hero, but I
20 can be a decent, passionate, productive man. I have learned
21 through countless examples that the more I help others that the
22 more I learn with myself as well. The more people I have the
23 opportunity to help the more resources and skills I develop to
24 help even more people. It's a cycle, and it's a wonderful
25 circle of education and growth that I find rewarding beyond

1 measure.

2 I made a life-altering mistake. I failed my
3 community, my friends, my family, and myself. In a difficult
4 situation I made a very wrong choice, and I am fully prepared
5 to face the consequences for my actions. I alone bear the
6 burden of that regretful choice every single day and have felt
7 the consequences of my actions in ways I never could have
8 imagined, most recently in a soul crushing experience in a
9 Wendy's parking lot. However, with the gavel about to come
10 down on my head I understand that while I may have felt those
11 consequences over the past three years, in the eyes of the law
12 the only consequence is the one that you will impose today.

13 I have aged 20 years in the past four winters. My
14 soul has been through a boot camp experience being stripped
15 down to the core, examined and built from scratch into the man
16 I truly wish to be. I can confidently say without reservation
17 or assertion that I have grown to be a better person than I
18 was when this all began.

19 I promise simply to keep learning and teaching, keep
20 trying to help people and work every day to be ever so slightly
21 better than I was yesterday, and I will never work with money,
22 bitcoin or banks ever again.

23 I absolutely deserve to suffer and serve a sentence,
24 and my debt to society must be repaid. I have literally
25 written a book on civics and community and understand the need

1 for law and order as a basis for a safe and civilized society.
2 All I ask, Your Honor, is to please help me through the
3 exceptional range and breadth of punishments at your
4 discretion. Help me to serve my punishment in a manner that is
5 just to the people and yet allows me to still be a caretaker
6 for my wife and be a productive member of my community. Please
7 allow me to continue building upon the foundations that I have
8 worked these past three years to establish. I have long since
9 proven to be no danger to anyone and continue to do so much
10 good in the world if given a chance.

11 Thank you, Your Honor, for your patience, your
12 education and your guidance. Thank you, Mr. Presant, for
13 saving me from the path of desperation driven stupidity I could
14 have fallen so much further down. Thank you, Mr. Lennon, for
15 saving me from Mr. Presant, and thank you to everyone behind me
16 who has stood and supported me through this incredible,
17 exceptional life. I am sincerely sorry I screwed it all up. I
18 only pray that you will let me continue my work of rebuilding
19 it slowly, serving my community manageable as I have been these
20 past several years. I remain as ever at your humble servant
21 and beg only your mercy. Thank you, Your Honor, sir.

22 THE COURT: All right. Thank you, Mr. Boden. I know
23 that was hard to get through but I am glad you were able to do
24 it. Are there other things you want to say before you sit
25 down?

1 THE DEFENDANT: I am happy to answer any questions you
2 have.

3 THE COURT: I don't have any right now.

4 THE DEFENDANT: Thank you, sir.

5 THE COURT: Mr. Lennon, anything else from you?

6 MR. LENNON: No, Your Honor.

9 MR. PRESANT: Thank you, Your Honor.

10 I know that the Court and Mr. Lennon and Mr. Boden all
11 heard the government's argument yesterday about leadership, so
12 unless the Court wants me to go through it again I am just
13 going to skip over and rely on what I said yesterday.

14 THE COURT: I don't necessarily want to hear the whole
15 repeat but each sentencing is its own -- it's own record, and
16 so you'll at least want to highlight. I think it's important
17 to hear the basics of the government's position. But I
18 appreciate that Mr. Boden and Mr. Lennon were here, and of
19 course I was, but not everybody was.

20 MR. PRESANT: Okay, Your Honor. I'll go through it
21 more quickly than I did yesterday then.

22 The issue under the guidelines is that there is a
23 distinction between leaders and organizers who are involved in
24 schemes that have five or more participants, and leaders or
25 organizers of schemes with fewer than five participants, and

1 the guidelines also make clear that a participant is not
2 limited to people who are charged as criminal Defendants.

3 And so there have been more criminal Defendants
4 charged in this scheme, but the record, including the
5 government's sentencing memorandum and attachments thereto, the
6 government's objection letter and the presentence report, note
7 that there were several other individuals who were not only
8 involved in The Geek Group but were actually involved in the
9 sale or the structuring conduct of the unlicensed money
10 transmitting business, and so for that reason the government
11 thinks the Court should find by a preponderance of the evidence
12 that there were five or more participants and apply the
13 four-level enhancement for being a leader as opposed to just
14 the two-level enhancement.

15 Turning to the 3553(a) factors. I think that the
16 arguments that the Court has to consider today really fall into
17 two buckets. The first bucket is the conduct of the Defendant,
18 and the second bucket is the presentation of the Defendant in
19 connection with sentencing, not just his presentation here
20 today but the presentation in the papers and the submissions to
21 the probation officer. So let me start with the conduct in
22 that first bucket.

23 The Defendant, there is no dispute, was the leader of
24 not only The Geek Group but the unlicensed money transmitting
25 business. He conceived of the idea to sell bitcoin as a

1 business at The Geek Group. He knew what he was doing was
2 wrong and was against the law, which I'll get into a little bit
3 more later while he was doing it and he did it anyway. And
4 that's the core of the conduct, but of course, that's not the
5 only conduct because there is money laundering.

6 The Court has heard this week about the mixing and
7 tumbling that the Defendant and Mr. Dejager worked to do. Some
8 of Mr. Boden's submissions to the Court suggests that that was
9 only an occasional or experimental thing they undertook.
10 Mr. Dejager's statement to the Court in connection with the
11 sentencing, he said that he essentially mixed everything before
12 he sent it to Mr. Boden to sell.

13 Part of the reason they were mixing was because the
14 Defendant advertised to his customers on Facebook and in person
15 with the undercover agent that he sold clean bitcoin. Other
16 places like licensed exchanges, legitimate businesses like
17 Coinbase, they sold, quote-unquote, dirty bitcoin, according to
18 the Defendant. If a person didn't want to buy the bitcoin
19 directly from the Defendant he would offer to, quote-unquote,
20 anonymize it for them.

21 So that's clearly the money laundering activity that's
22 in the case, but it's not the only activity because there's
23 also been discussion of how the Defendant took it upon
24 himself -- much like he disregarded the laws he was violating
25 knowingly, he took it upon himself to thwart the anti-money

1 laundering control that legitimate exchanges like Coinbase
2 again for example had put in place in order to make sure that
3 people weren't using bitcoin to launder money because the
4 Defendant thought he knew better.

5 Mr. Boden also structured and aided and abetted and
6 supervised the structuring of the cash deposits into the
7 banking system of those approximately \$740,000 in order to make
8 sure that his scheme went undetected for as long as possible.
9 And the Facebook messages summarized in the government's brief,
10 sentencing memorandum, indicate that the principal Defendants
11 here, Mr. Boden, Ms. Vogt and Mr. Dejager, all knew about the
12 \$10,000 requirement and were actively working for ways to
13 transmit large sums of money to avoid the CTR being filed.

14 The thing we haven't talked about much this week so
15 far is the attempted extortion attempt or the solicitation of
16 the undercover officer. And I think the first thing to say is
17 that undercover operations like the one in this case, sometimes
18 called sting operations, they get a bit of a bad rap because
19 people think it's a setup or they are somehow being entrapped,
20 but legally they aren't, but I think those arguments don't even
21 apply here at all even kind of qualitatively, because everyone
22 knew, as Mr. Lennon acknowledged, that they sold bitcoin at The
23 Geek Group, albeit they sold it -- Your Honor is quite correct
24 about the difference between the counter sales and the ATM that
25 was used to draw people in. But everyone knew they were

1 selling -- selling bitcoin at The Geek Group. And the question
2 he was, well, what kind of business is this? Are these
3 Defendants merely mistaken about what they are allowed to do or
4 not allowed to do or is something more nefarious going on here.
5 And the undercover operation in the first instance answered
6 that, right? Because Mr. Boden, through the series of
7 undercover buys, set up kind of phoney limits of the amounts
8 that he had to stay under in order to, quote-unquote, be
9 compliant with the law. Incidentally, he was wrong about all
10 those limits legally. But even for the limits that he set for
11 himself, whether it was \$1,000 or \$5,000, he just blew past it
12 as soon as an undercover said, well, what if I want to get a
13 little bit more?

14 He also made clear that he was completely fine selling
15 to someone who was posing as a cocaine dealer. He makes
16 himself self-serving arguments in reference to sentencing that
17 he was, in fact, uncomfortable, but I think the Court can look
18 at the fact of repeated transactions where he is proposing
19 higher and higher amounts for the person to buy and the
20 statements that he made therein during the undercover
21 transaction including, for example, that he wanted to be the
22 bitcoin empire for drug dealers, that he's been looking to find
23 the major players in town, that he wanted to get,
24 quote-unquote, the whole -- your world, being the drug world,
25 working on bitcoin are contrary to any kind of discomfort

1 associated with the idea of selling large sums of bitcoin to
2 drug dealers to use to conceal and promote their businesses.

3 And then finally, there is this extortion plot, right?
4 The undercover didn't go in there and suggest that he could --
5 he could take a hit order for Mr. Boden or that he could -- or
6 ask Mr. Boden if there was any debts he needed collected? This
7 was just something that Mr. Boden brought up of his own
8 volition because he thought it was an opportunity in order to
9 get some money, some \$500,000 that he said he was owed by
10 another person. And we have attached some of the statements
11 that Mr. Boden made during those undercover deals to our
12 sentencing memorandum and we've quoted some therein. And I am
13 not going to go through all of them in the interest of time,
14 but I think the nature of those statements is really important
15 to indicate, well, what kind of business was this that he was
16 running? And one of the things Mr. Boden said was -- to the
17 undercover was about this person, if all I wanted to do was F
18 him up, his head in a burlap is easy to do. I want my money.
19 I don't give an F about him. I don't give an F about his
20 family. I want my money. Just one more example. What happens
21 to him I don't give an S word. You kill him he ain't going to
22 pay me, and I don't need him dead. He is dumb. How you handle
23 this, this is your world. I care that I get my money back.
24 Beyond that it's whatever is most efficient for you.

25 I mean, when I read those words for the first time I

1 was chilled. I mean, those -- to make those statements and
2 then to come to court and represent that this was all some sort
3 of a technical regulatory violation where the Defendants did
4 not know what they were doing was wrong I think is jarring and
5 belies the evidence in the case.

6 I think one last point here is that even Mr. Dejager's
7 statement to the Court, which I have already told Your Honor I
8 thought was quite genuine and showed an appropriate amount of
9 contrition, he indicates that even amongst the rules of the
10 bitcoin community, the people who were drawn into bitcoin,
11 Mr. Boden broke the ethical rules there, too, by retaining a
12 black book of seed phrases, which essentially is the same as
13 possessing the currency that he sold to his different
14 customers. And in Mr. Dejager's view -- I understand
15 Mr. Lennon has an explanation for it here today, but in
16 Mr. Dejager's view there was no ethical reason for those seed
17 phrases to be retained.

18 So let me turn to the second bucket of considerations
19 for the Court under the 3553(a) factors. I think Mr. Boden's
20 presentation to this Court, like his wife's yesterday, is
21 concerning, and in fact, I think it's far more concerning than
22 his wife's presentation to this Court because Mr. Boden wants
23 to have it both ways. If he just came to Court in connection
24 with the sentencing process and said, I was desperate for
25 money, I knew what I did was wrong when I did it, I did it

1 anyway, I am ashamed of my actions, that would be one thing. I
2 think we got a little bit more of that today, but in his
3 statements to the probation officer, a branch of the court, he
4 does anything but that. Right? He essentially says, I didn't
5 know what I was doing was wrong, and he refers to this
6 prosecution as, quote-unquote, foolishness.

7 And there is this example of the FCC thing, which
8 Mr. Lennon brings up again today, and the first thing I think
9 to point out there is that's essentially like saying, because I
10 got a parking ticket one time I can't believe that when I was
11 selling drugs the government didn't just come and tell me to
12 knock it off. Right? The point is that the type of conduct
13 that you are engaged in is what beckons a particular type of
14 response for the government, and to say that the government
15 overreacted here or overreached in Mr. Lennon's words, I think
16 is to essentially blame the government for what is, in fact,
17 the criminal conduct that the Defendants undertook.

18 And to put a fine point on this, I think, unlike
19 Ms. Vogt, which the Court observed yesterday, knew her conduct
20 was unlawful but may not have known the chapter and verse,
21 there is no doubt, based on the evidence in this case, that
22 Mr. Boden, in fact, did know the chapter and verse of what he
23 was violating. The government attached evidence of this to its
24 sentencing memorandum.

25 So I'm looking at page 45 of Exhibit 1 of the

1 government's sentencing memorandum, which are Facebook messages
2 from November 4th, 2017 between Mr. Boden and a person whose
3 name has been redacted. And in one of those messages Mr. Boden
4 sends an article to that person, and the title of the article
5 is a Michigan man has been charged with running an unlicensed
6 money transmitting business after selling more than \$150,000 in
7 bitcoin. And he asks the person, do I have a problem? And the
8 person responds, look up Title 31 § 5330, which is, of course,
9 the codification of the Bank Secrecy Act provisions that
10 Mr. Boden violated, and Mr. Boden's reaction to that in summary
11 was to go on and run this business for another year, and he
12 essentially goes to Mr. DeJager and says, I looked into it and
13 what I figured out was if I sell more than \$1,000 in bitcoin I
14 better make sure that they are not a fed.

15 I think the Court can also look to the repeated
16 falsehoods in Mr. Boden's statement to the probation officer in
17 evaluating the 3553(a) factors. He says he paid taxes on all
18 the bitcoin when he sold, when his counsel now concedes that
19 that's not true. He says he mostly moved a few thousand
20 dollars a week, when, in fact, the evidence shows there were
21 some weeks when they moved far more than \$10,000. And I could
22 go on and on from there, but when Mr. Lennon says many of the
23 things that Mr. Boden said to the undercover were objectively
24 false, I have to agree with him, but the problem is that so
25 many of the things that Mr. Boden has said even to this Court

1 is objectively false, and I think that makes it a very
2 difficult thing for the Court to do to sort through which
3 contrition is genuine and what is not.

4 The other theme that he touches on in his statement is
5 to say this idea that I mentioned of this is all the
6 government's fault. You know, he says, I can't imagine how
7 many crimes I commit every day if this is a crime. He takes
8 some ad hominem shots at the federal agents who investigated
9 this case. He says that the prosecution needs a sense of
10 humor, which is, even though his counsel tries to clean it up
11 in the sentencing memorandum, it's essentially saying that this
12 whole process is a joke. And he even goes onto say that this
13 Court should be spending its time not on cases like this but
14 cases where this sort of attention is really needed.

15 And the other thing I noticed, too, in his sentencing
16 memorandum, the attachments thereto, or maybe it's the motion
17 for variance, that a lot of the letter writers echo these same
18 things -- things I talked about. They claim that he paid taxes
19 on everything that he sold. And that's Exhibit 2. He did so
20 without realizing the full extent of the illegality of his
21 actions. The agents were storming the building and terrorizing
22 the volunteers. Exhibit 3 says if Chris's actions were outside
23 the bounds it was because of ignorance of laws that he was not
24 aware applied. Exhibit 4. At no point did I ever think that
25 Chris was willfully violating any regulation. And I could go

1 on and on from there, but the point is that he is presenting to
2 the Court as someone who says he didn't know what he was doing
3 wrong was wrong at the time that he did it when the evidence
4 shows that he knew exactly what he was doing.

5 So what does all this mean for the 3553(a) factors?

6 One of the factors Your Honor knows is the need to promote
7 respect for the law, and I think what Mr. Boden has shown the
8 Court is that to this day he has very little respect for the
9 law. If Coinbase is doing something in order to comply with
10 the law he's going to find a way around it. If he is told that
11 he's not allowed to engage in certain conduct, he is going to
12 say, well, I am just going to go ahead and do it anyway even if
13 I know what I'm doing is a crime.

14 As Mr. Dejager acknowledged, the two of them were
15 drawn to anarchy and the need to depose of government
16 controlled currency. I think what the Court can look at is
17 that Mr. Boden decides which laws he wants to follow and which
18 ones he doesn't, and I think the Court's sentence has to
19 reflect the need to promote respect for the law in Mr. Boden.

20 I think the need for general deterrence here is
21 largely evident in the way cryptocurrency is growing in society
22 right now. I think that regrettably there are a lot of Chris
23 Bodens out there. I think there are people who think that
24 cryptocurrency exists outside the bounds of the law, and I
25 think the Court's sentence should reflect that the conduct here

1 cannot be tolerated because bitcoin, like other funds, are
2 subject to the laws of the United States of America.

3 Third, the Court has to consider specific deterrence,
4 or as the guidelines say, the need to protect the public from
5 further crimes of the Defendant. And in the two sentences
6 earlier this week, the Court acknowledged that Ms. Vogt and
7 Mr. Dejager probably don't need specific deterrence because
8 they are going to be pretty careful I think for somewhat
9 different reasons to avoid breaking the law again. I don't
10 think Mr. Boden is like Ms. Vogt or Mr. Dejager at all in this
11 respect. I think a sentence of probation or a minor sentence
12 of incarceration Mr. Boden would consider it to be essentially
13 a vindication that his prosecution was, in fact, a joke. He
14 says he is done with bitcoin and maybe so, but I don't know.
15 If he didn't get -- if he doesn't get a significant sentence
16 that makes him understand the wrongness of the conduct that he
17 engaged in, I could see him going back to bitcoin, and if he
18 doesn't go back to bitcoin I think whatever scheme comes next,
19 Mr. Boden, if he finds out that he is breaking a law, will take
20 the same tact that he took before without a significant
21 sentence, which is to say he'll decide whether it's a law that
22 he deems in his own judgment needs to be followed.

23 Now, finally, I'll make a couple points I also made
24 yesterday, Your Honor, which is I can't speak to the good works
25 that The Geek Group in general and Mr. Boden in specific did in

1 the community. The government doesn't investigate good works
2 of nonprofit organizations. I also can't speak to the fact
3 really -- well, I suppose I could speak to it, but it's of no
4 knowing how much or how little money the Defendants actually
5 made out of this particular scheme. I mean, they made tens of
6 thousands, maybe a little over \$100,000, but a split amongst
7 them over the time they are looking at it wasn't a ton of
8 money, but those factors don't make this any different than a
9 drug case, and that was the point the government was making
10 yesterday. Not the point, to respond to Mr. Lennon, that these
11 Defendants are akin to drug dealers. Obviously, those are
12 different crimes, even though the Defendant willfully serviced
13 or offered his services to drug dealers. So those -- those
14 aspects of sentencing are no different, right? Drug dealers
15 have families to support, and I've heard many a drug dealer
16 say, this was the easy money. This was the way that I could
17 support my family. But it doesn't make it right. No matter
18 how good of a motive you have is not a license to break the law
19 in order to make money in order to serve that motive. That's
20 what the rule of law means fundamentally.

21 And then secondly, to distinguish the Defendants from
22 that street drug dealer who often does not have a great
23 education or great opportunity, the Defendants here clearly are
24 all extremely intelligent, extremely talented and extremely
25 prolific people. They do have legitimate means to make money.

1 They just wanted the easy money instead.

2 And I think I'll end on the point that if when you
3 look at those good works, and you think about what that means
4 in the context of the sentence of the case, it really reveals
5 to you I think the duplicity of the crime. I assume that the
6 people in the back of the courtroom and the supporters of
7 Mr. Boden are probably surprised by some of the things that he
8 said to the undercover agent. They are surprised at the nature
9 of this business that was undertaken, but the reality is that
10 when you break the law there needs to be accountability for it,
11 and in the government's view the 3553(a) factors require a
12 significant custodial sentence in this case. Thank you.

13 THE COURT: All right. Thank you, Mr. Presant.

14 Do you want to respond, Mr. Lennon?

15 MR. LENNON: Yes, Your Honor. If I may?

16 THE COURT: All right.

17 MR. LENNON: I think I have got five points. I'll try
18 to go through them quickly.

19 Count 28 -- and Your Honor, obviously Mr. Boden from
20 the beginning was willing to plead to everything but Count 28.
21 The context is so important here. He has never denied the
22 language, the very colorful language, the puffing, the
23 salesmanship, but the Court has got to understand that we got a
24 struggling, desperate organization. There is a person who they
25 have lent money to. They have hired Vello Law firm to try to

1 collect the money. Vello has not been able to do so and
2 Chris -- terrible decision -- sees this guy from another world,
3 and thinking that he could help him out, this African-American
4 agent, I don't even know who he is because I know the IRS
5 protects that identity. And he does, he asks for assistance.
6 He offers the same percentage rate to collect the debt as Vello
7 Law. There is context to this. And he goes back to the
8 desperation and the bad choices that he's always taken
9 responsibility for.

10 No. 2, taxes. Mr. Boden doesn't do the taxes.
11 Ms. Vogt has done the taxes and he thought that the bitcoin was
12 covered. We later realized it wasn't. It was left out of the
13 2017. It was shared with the probation officer and with the
14 prosecution. It was clarified. And then in looking at the
15 return, we saw that it's there, just not done properly.

16 No. 3, the black book. Mr. Dejager is wrong. In
17 bitcoin you have a password and you have a 12-character -- at
18 least minimum 12-character phrase for your accounts. Those
19 were accounts the vast majority for Mr. Boden. What's wrong
20 with having those in the book? But you have got friends,
21 trusted friends of his who asked him, hey, can you keep our
22 password in there? He did. He had some elderly customers that
23 said, could you keep an extra password? That's because they
24 trust him. Mr. Dejager is operating thinking, I am mixing this
25 and I am doing all of this. Well, these are people who trusted

1 Mr. Boden and not a single one has lost money. Not a single
2 one, because he is trustworthy. And you know Mr. DeJager's
3 reaction to this? I wasn't at the proffer, but -- and I don't
4 know how it was presented to him, but there is nothing
5 nefarious about this black book.

6 I have lost count. Maybe four. Throughout this time,
7 both in the response to the motion to suppress and in the
8 sentencing memorandum, the government has a conversation in
9 there with some ellipses. We filled in those ellipses. It's
10 not what has been presented by the government.

11 Six points. So here is five. Your Honor, I
12 understand Mr. Present having done that job and talking to the
13 undercover agents, seeing that information at the time of the
14 raid, December of 2018, and being very alarmed. No dispute.
15 Executing a search warrant, I don't know what all they were
16 looking for. That's fine. No problem there. But what
17 happened in the over two years with all those federal agents,
18 not a single one sitting at table here. What happened to find
19 out what was really going on in The Geek Group? I tell you
20 what wasn't happening, Your Honor. There wasn't any financing
21 of terrorist organizations. There wasn't any financing of a
22 drug trafficking organization. There was no real money being
23 made by Mr. Boden or any of the other people there.

24 So to the extent that there is frustration, they had
25 over two years to look into what The Geek Group was actually

1 doing, and that's the nature of the comment. Doesn't this
2 government have something better to do then take down a
3 community service organization, one that got the highest rating
4 for ethical behavior by the folks who rate those things?
5 That's where the frustration comes from. It's not a disrespect
6 for the law or this Court or anyone else.

7 And finally, the comment that we don't need anymore
8 Chris Bodens in the world. I strongly disagree. We need more
9 people like Chris Boden serving their communities, making his
10 mistakes but admitting it.

11 Thank you, Your Honor.

12 THE COURT: All right. Anything else, Mr. Present?

16 THE COURT: All right. Well, thank you to the parties
17 for their presentation, to Mr. Boden for working his way
18 through the written statements so he could express himself
19 directly here, and of course, to our probation officer for all
20 the work she did pulling together the information.

21 We have a guideline determination that I'll start with
22 in a minute and then we have, after the guideline
23 determinations, whatever it is, a question of what's sufficient
24 but not greater than necessary to achieve the purposes of
25 sentencing. What the parties have been talking about is § 3553

1 factors because that's the way we proceed in any sentencing
2 case, including in this one.

3 I want to start with a couple of general comments that
4 I think will carry forward through the rest of what I have to
5 say on the specifics of the sentence that I intend for
6 Mr. Boden, and the first one is, and really to address what is
7 the problem here? Why do we care? Why isn't this a laughing
8 matter from the perspective of law enforcement regardless of
9 whether they found everything they were looking for or just
10 what we're here to deal with? And you know, the fundamental
11 problem here with the case is not simply that cryptocurrency
12 was involved. It's perfectly legal to buy and sell
13 cryptocurrency, bitcoin or otherwise, and the government has
14 never suggested otherwise, and neither has the Court. I think
15 it's pretty risky right now. It's definitely a wild west
16 experience. The price, volatility and all the rest create
17 strong investment risk, and there is, it seems to me, for any
18 sovereign nation a genuine threat to their ability to manage
19 the economy if they don't have a grip on cryptocurrency, which
20 is to some segments of society part of the appeal of
21 cryptocurrency, and that's one aspect of concern.

22 But the one that's really fundamentally at stake here
23 is the need that the federal government has seen fit to codify
24 in criminal law proceedings, to keep track of where that money
25 is moving in our system to avoid letting bad guys use money

1 transmitting devices, to get cash in support of nefarious
2 activities. As Mr. Lennon indicated terrorism was the
3 fundamental concern of Congress when they broadened the
4 statutes that we are here talking about in the Patriot Act in
5 the wake of concerns about terrorism in particular, but it's
6 not the only one. It's also drug dealing, which is another
7 business that obviously values anonymity, and any other
8 business that similarly wants to avoid exposing itself or
9 raising its head in a way that would put them on law
10 enforcement's radar. Really the kinds of things that the
11 six-point enhancement in guideline 2S1.1(d) (1) covers. And
12 that does apply here, both sides agree, with respect to
13 Mr. Boden's knowing or believing at least some of the laundered
14 funds were proceeds or intended to promote offenses involving
15 controlled substances.

16 That's the risk and concern that drives what's
17 happening here, whether or not the worst was realized, the door
18 opening risk happened not just because bitcoin was being sold
19 and purchased, but because it was being sold and purchased in a
20 way that allowed customers who wanted that aspect or that
21 service from The Geek Group to move value, move money from one
22 place to another without it registering in the normal financial
23 system. That was part of the business model, frankly, of The
24 Geek Group or this aspect of The Geek Group when it got to
25 selling bitcoin in, I think Mr. Presant's words, and as part of

1 the, ultimately the words that Mr. Boden used, you know, it was
2 important to him in the exchanges with Mr. DeJager that are
3 part of the written record saying, look, this has to be clean.
4 This has to be clean. Will it be clean? Because that's what
5 The Geek Group or Mr. Boden at The Geek Group offered his
6 bitcoin customers, a clean anonymity that wasn't available by
7 using traditional bitcoin exchanges. And then the other
8 Defendants in the case made sure that they didn't drop the
9 penny on the other side by dumping a bunch of cash into a bank
10 account that would then be recorded under the structuring
11 rules, but instead structuring the deposits in an effort to
12 avoid that. And that's the seriousness or the concern, not
13 that somebody was stolen from or lost money. Not that somebody
14 actually did finance terrorism or anything more than say
15 marijuana sales or at least consider the cocaine sales, but
16 it's those risks that are at stake and that are fairly
17 vindicated by the government and investigated by the government
18 in my view. So that's a general comment that I would want to
19 start with.

20 And it's not -- the second general comment. It's not
21 an indictment of The Geek Group as an organization or all it
22 did. It's an indictment that focuses on some activities, some
23 limited activities toward the end of The Geek Group's life that
24 involve using the bitcoin as a money transmitting device for
25 some people, some customers who valued and were willing to pay

1 for the anonymity because, let's face it, the pieces or the
2 customers rather than were using this service were paying
3 higher cuts to Mr. Boden or others selling it then they would
4 have had to pay on the exchange because they wanted the
5 anonymity. It was part of the business model.

6 Rather, The Geek Group itself a much broader
7 organization. One that had a whole different mission and
8 actually provided valuable services from all accounts to the
9 community. The problem was long before bitcoin started, long
10 before the agents showed up to do their search, The Geek Group
11 just didn't have the capital it needed to survive. Never did.
12 And I don't think that's disputed. It was, despite the 400
13 grand app grant applications, unable to land enough that they
14 needed and they did not have financing and the reality is The
15 Geek Group was going under no matter what unless there was a
16 big grant or some other unexpected source of revenue, something
17 they hadn't had in all of their years of good service. And I
18 think in some ways that's an important point to remember at the
19 beginning as we talk about this, and it's an important point
20 for Mr. Boden to remember, too. It's not even just the agents
21 who came or the PR that followed. The Geek Group was
22 financially starved long before any of that happened, and I can
23 see and hear in his own comments that the death of that dream
24 or as he says there was a time to stop, and he went farther
25 than he should have, is very painful as it would be for any of

1 us who have wrapped ourselves up in pursuit a dream, a good
2 dream and a worthy dream only to see it come to an end and then
3 an end in a very ignominious way in this particular case.

4 But that's background, and I hope it will be germane
5 to what I talk about in the more particulars of this case my
6 intended sentence for Mr. Boden. And I do need to start with
7 the guidelines because that's where we always begin, and under
8 the presentence report we are at level of offense 35, criminal
9 history category I based on all of the things I talked about
10 earlier. The only thing the Defense contests is the role
11 enhancement suggesting that it should not be more than two
12 points, not the four points that the officer added for activity
13 involving five or more participants, not five more or
14 criminally charged people necessarily, five or more
15 participants or was otherwise extensive, and I am going to
16 overrule the objection. I think the guidelines are properly
17 scored by the officer in this case.

18 The one thing that has been clear to, me after reading
19 an awful lot of material about the case, is what Mr. Lennon
20 himself says. Entire charismatic leader, driving force,
21 whatever other word you want to use of The Geek Group, and its
22 later foray into using bitcoin as money transmitting was Chris
23 Boden, and even if you -- I think you can hear even today in
24 the halting words and sometimes the words through tears a level
25 of charisma is why people would be drawn to somebody like Chris

1 Boden. You certainly see it in the written materials and you
2 can see it in some of the other attachments that he provided.
3 He was an inspirational leader, a charismatic leader who in my
4 view overshadowed everything else that happened in The Geek
5 Group for good or ill, and I think that's why the four-level
6 enhancement fits here and why I didn't find it appropriate to
7 award managerial rule adjustments for anybody else. He was sui
8 generis. He was completely different in my mind than anybody
9 else involved in the organization, and even if -- I don't think
10 I need to necessarily count exactly five or more participants.
11 We could probably do that with the government's submission, but
12 it was in my mind undeniably otherwise extensive, and that's
13 also a basis for the four-point enhancement. And you know, the
14 example that the guideline commentary uses for otherwise
15 extensive is well, even if something involved only three
16 participants but there were unknowing services of many
17 outsiders you might be extensive, it could be considered
18 extensive, and that's not exactly what we are talking about
19 here but it fits to me the paradigm, the idea that this entire
20 operation, for good and ill, really owed its existence, its
21 energy, its ongoing operation to one man, Chris Boden, and I
22 think in the guideline parlance that's an appropriate place for
23 the leadership enhancement.

24 So I am going to stick with the way the officer has
25 calculated the guidelines, and that means that we have a

1 starting point of 35 and criminal history category I and 168 to
2 210 months. But then we get to the other factors and in my
3 mind that's way too much. I think the guidelines significantly
4 overstate the actual seriousness of what we are talking about
5 in the case, and I've said that in the sentencing of the other
6 individuals as well.

7 And in particular, one of the reasons that I think the
8 guidelines significantly overstate the seriousness is that 14
9 of those levels are attributed to the total funds involved in
10 the laundering activity. Here, 740 or 50,000 dollars or
11 thereabouts. And that's the same 14-point enhancement that
12 would apply if Mr. Boden had stolen 740 or 50,000 dollars from
13 somebody, and I think everybody agrees that's not what we're
14 talking about. We are talking about the actual structuring or
15 laundering activity, but nobody lost any money in the process.
16 Maybe some people paid more than they could have paid as a
17 mission or otherwise to purchase or sell bitcoin compared to
18 what they'd get on an exchange, but you know, they got
19 something for it and they got something they wanted, which was
20 anonymity or clean bitcoin. So that's, I think, a starting
21 point that significantly reduces the overall seriousness of
22 what happened here.

23 That said, the other things that I think still are
24 serious and still are appropriately scored are things that
25 we've already touched on. The reality is that in this case it

1 was still a significant amount of laundered money, some of
2 which at least Mr. Boden was chargeable for the added six
3 points because of the activity involving controlled substances.
4 And I know Mr. Lennon says some of the statements that
5 Mr. Boden himself made when he was interacting with the
6 undercover officer were just puffing, but it's hard to know
7 that when you don't have a complete factual record of. What we
8 do know is the 700 and some thousand dollars moved, that
9 multiple people noticed marijuana smells on the customers or
10 some of the customers and that Mr. Boden himself, the
11 charismatic leader, in speaking to a third-party, is saying for
12 years the marijuana people were the backbone of his business.

13 When you put that altogether, I think it really leaves
14 an inescapable inference when, in fact, that was an important
15 part of the business, and more than that, a fitting part of
16 this business because of the emphasis on clean. It wasn't just
17 philosophical objections to the government tracking money
18 generally. It's because he had customers that had reasons for
19 wanting it clean, and he knew it because in some of the
20 exchanges that the parties had focused on in the briefing.
21 They didn't talk about it today so much, but the Facebook
22 exchanges where Mr. Lennon's brief says, hey, you need context
23 here. The swear words he uses in all caps have nothing to do
24 with getting found out as a potential launderer but for failing
25 to test the siren at noon on Friday. And that may be, but it's

1 also unmistakable in the exchange with the lol and other
2 things, that when money laundering is mentioned it's on
3 Mr. Boden's mind and it's a wink and a nod.

4 So there is plenty of basis in the record to infer
5 that that six-point enhancement is earned, and then, if you
6 think about it from a law enforcement perspective, regardless
7 of who put it on law enforcement radar it may be that Mr. Boden
8 is right that a disgruntled former employee who had his own
9 problems told stories that were weren't true. That were
10 themselves over rout, but at that point the government has to
11 figure out what to do, and one way to test it is to go in with
12 an agent and see what the charismatic leader says, and when
13 this person goes over the course of more than one occasion,
14 they not only hear about the marijuana, they get invited for,
15 you know, bigger amount of money knowing it would have been for
16 cocaine proceeds at that point, and an eager invitation from
17 Mr. Boden to become engaged in that part of the business.

18 That's what he wanted. And you know, it may have been that he
19 was desperate to keep the dream alive and thought this might --
20 this might be the way. That could be. That's the way a lot of
21 people commit crimes that involve fraudulent behavior or other
22 behavior that violates the financial laws of the United States
23 because they are under pressure often for good things. But it
24 doesn't mean they are not accountable for the action.

25 And then really, as far as I can tell, completely

25 The other thing that has come up, and it's a lot of

1 the back and forth in the briefing is, well, does Mr. Boden
2 really care? Has he really assimilated acceptance for this,
3 you know, or is he really still wanting to blame the agents or
4 pawn it off as a laughing matter? And I think both sides have
5 things to talk about there.

6 Mr. Presant has certainly pointed out in his briefing
7 in particular and somewhat here today some of the almost flip
8 comments that Mr. Boden has made in various places about this,
9 suggesting that, you know, at least sometimes maybe when he
10 wakes up in the middle of the night he wants to blame the
11 officers for what happened. But I do think there is a genuine
12 heartfelt acceptance, the kinds of things we heard and saw here
13 today, that at the end of the day he is accountable, and it was
14 his set of mistakes that is what led to this, not the agent's,
15 not even the PR that followed the agent raid, but his own set
16 of errors.

17 And frankly, like a lot of people who confront the
18 death of a dream, especially a financial dream, I see this a
19 lot with people who are convicted of financially related
20 crimes. Acceptance is a process. It takes a while to come to
21 grips with the reality that in pursuit of what you thought was
22 a worthy, desirable, honorable goal that a lot of other people
23 thought was and that maybe, in fact, was, you crossed lines
24 that Congress has created felony boxes around and you crossed
25 it knowing what you were getting into at some level or at least

1 knowing you were crossing the lines and it feels totally
2 inconsistent with the person you think you are and have been
3 and certainly the person you have aspired to be, but I don't
4 think that -- I don't think it rises to the level of a
5 situation where Mr. Boden has failed to accept that he is
6 responsible for this.

7 What I do think, unlike Ms. Vogt and unlike
8 Mr. Dejager, some of the same things that drive the charismatic
9 attacks of Mr. Boden make him a risk. There is -- there is
10 always a dark side to charisma, and so unlike some of the
11 others, including Ms. Vogt and Mr. Dejager, I think there is
12 some need for specific deterrence for Mr. Boden, if for no
13 other reason than to help him continue to reflect on things
14 that he started to say and think here about what happened, why
15 it happened. And I can't tell. I often have uncertainty in
16 looking at as many pages as I've I looked at on this I can
17 often see in my own mind a pathway to where the seeds were,
18 what happened. I don't really know that here. You know,
19 certainly there was a lifelong concern about bullies and not
20 liking bullies. None of us really like bullies. And maybe
21 there was a more emotional connection to that than some, but I
22 don't know where that all comes from. But it could come back.
23 I don't think Mr. Boden's charisma is going away. It's going
24 to be there forever. And what we certainly want is to
25 encourage and shape that in positive directions, the kinds of

1 things that he wrote about when he went to the high school and
2 had at least a couple people there, one in particular, who were
3 able to tap into the good side of that charisma, and that's
4 what we hope happens here as well, but I think that that is a
5 distinction between Mr. Boden's case and the case of the
6 others.

7 So ultimately the guidelines are too high in my mind,
8 but some custody is necessary in my mind to achieve appropriate
9 general specific deterrence and proper reflection of the
10 seriousness of what did happen, not just what didn't but what
11 did, and I intend a custodial term of 30 months, which is
12 longer than Mr. DeJager, a lot less than what's on the
13 guidelines, but I think sufficient but not greater than
14 necessary to achieve the purposes of a sentence that I think
15 are in play here for the reasons I indicated.

16 I don't know exactly what to recommend to the Bureau
17 of Prisons. Certainly educational and vocational opportunities
18 are things that will occupy anybody meaningfully, and I hope
19 Mr. Boden takes advantage of that. I know in his statements to
20 the Court, you know, he has indicated he doesn't have anything
21 he wants to learn from anybody in prison, and I hope he
22 revisits that. You know, what he said here today, one of the
23 things he said was you can learn something from anybody, and I
24 totally think that that's true, and I think he is going to be
25 surprised when he gets to the Bureau of Prisons' facility. I

1 think he is going to find the mix of people here pretty much
2 like the application of people out there. There is going to be
3 some great people. There is going to be some rotten people,
4 and there's going to be some people in between, but I hope he
5 uses that curiosity that's been driving him since little kid
6 days to find out what drives those people and to make
7 connections there that can be meaningful and helpful, because
8 you know, everybody there, almost everybody comes back. A few
9 people don't because their sentences are so long, but almost
10 everybody comes back, and yes, they come back with a felony
11 conviction, and so does Mr. Boden, but it doesn't mean they are
12 gone from our community. And the good things that they have to
13 bring are things that we want to nurture, and I want that to be
14 the case in Mr. Boden's life as well. And the bad things are
15 the things we want to deter. But that's the one thing I hope
16 he revisits in terms of his approach to serving a custodial
17 sentence.

18 I think I've said at one of the sentencing, you know,
19 in 15 years I could probably count on one hand the people I
20 have sentenced that I really don't especially like. And that's
21 true here, too. I like Mr. Boden. I have enjoyed very much
22 hearing from him, reading what he had to say, thinking about
23 the things he's done. But that's true of a lot of people. A
24 lot of people for a lot of reasons cross the legal line and
25 commit felonious activity. You know, there is the whole range

1 of people from the violent ones to the nonviolent ones, but
2 they all have stories that go way beyond the criminal activity
3 that lands them in front of me. And I hope -- one of the
4 people that I sentenced wrote a book about it, and maybe
5 Mr. Boden will be one of those people, too, about the
6 experience in the Bureau of Prisons. And that was Jay Vincent,
7 former basketball player for Michigan State who pleaded to a
8 fraud related crime. And he came out I think in a different
9 place and a better place in some respects, though, of course,
10 as he would be the first to have told us that's not the way he
11 wanted to learn anything, but nonetheless, he did. So I'll
12 recommend educational and vocational opportunities. It may be
13 that Mr. Boden has more to teach there than learn, but in any
14 event, the Court intends the 30 months custody.

15 I intend three years of supervision to follow,
16 including the normal mandatory terms, which would be
17 cooperation in the collection of DNA and drug testing and
18 standard conditions, including no firearms.

19 I do intend special conditions, first, that Mr. Boden
20 provide the probation officer with access to requested
21 financial information, and two, that he perform 150 hours of
22 community service over the 30 months as directed by the
23 probation officer.

24 In terms of financial matters, there are three counts
25 of conviction, which means a \$300 special assessment that I

1 intend to impose. There is also forfeiture, first of all, of
2 some in kind forfeiture involving virtual currency that either
3 will enter or may have already entered because I think it's
4 applied to all three Defendants.

5 And then a money judgment in the amount of \$75,000,
6 which I intend to enter as well as part of the plea agreement.
7 In light of that I don't think any additional fine is
8 warranted. I intend to waive any additional fine.

9 So that's the overall intended sentence of the Court
10 and the reasons for it. Government legal objections?

11 MR. PRESANT: No, Your Honor.

12 THE COURT: Mr. Lennon, legal objections?

13 MR. LENNON: No, but would the Court consider a
14 delayed reporting? As the Court knows, Ms. Vogt has numerous
15 surgeries next month, and as we all know, the Bureau of Prisons
16 could score Mr. Boden I assume to a camp and have to move
17 quickly. Would we be able to ask for no -- no report date
18 before, you know, blank 90 days or something like that just to
19 get her through the surgeries?

20 THE COURT: The problem is, I don't know specifically
21 about Ms. Vogt's surgeries. I know that there is certainly
22 medical things, but they are constant. They are not going
23 away, and so then what do I do if there is complications? I
24 think I am not going to grant that today. If you want to file
25 a motion or something happens and you think you want to ask for

1 additional delay or something like that I'd consider it, but
2 no, I think the normal reporting. Certainly self report. I
3 don't intend to remand Mr. Boden today at all, but self report
4 is appropriate at whatever time the marshals would designate
5 through the -- or the Bureau of Prisons through the marshals.

6 MR. LENNON: Understood, Your Honor. And if that
7 scenario you described comes into play we'll file a motion.

8 THE COURT: All right. Anything else?

9 MR. LENNON: No, Your Honor.

10 THE COURT: And I am going to go ahead and impose that
11 as the sentence of the Court, Mr. Boden, a custodial term of 30
12 months, followed by the three years of supervision on the terms
13 indicated. The fine waived, but the money judgment of
14 forfeiture of \$75,000 entered along with the specific
15 forfeiture of the various virtual currency and a \$300 special
16 assessment. I am going to impose that now but make it the
17 written judgment of the Court as well. You then have 14 days
18 to appeal. So you tell Mr. Lennon if there is anything you
19 want to appeal. He puts the notice on file. And you think
20 about it with him. You can always pull it back. But if day 15
21 comes and you say, you know, I wish I would have appealed, it's
22 too late. Okay. So you talk with him about that. You make
23 sure you are satisfied with your decision, whatever it is.

24 Then, as we already said, my intention is to have you
25 self report, not remand directly to the marshal. So that means

1 at some point, probably weeks, it's usually not months and it's
2 usually not days, the BOP will say, here is where you need to
3 be and when, and then you need to get to that place. Do you
4 have any questions about that?

5 THE DEFENDANT: Is there any possible way I can get
6 assigned somewhere locally?

7 THE COURT: Yeah.

8 THE DEFENDANT: Travel and I are really bad.

9 THE COURT: I was going to ask about that. So the
10 closest federal prison is in Milan, Michigan. Maybe that's the
11 right setting for you. Maybe not. There are other places
12 that, you know, have lower security, for example, but they are
13 farther away. So I am happy to ask for something close if
14 you'd like that, but it may or may not be the place you'd most
15 like to wind up or the place that the bureau would think you
16 best fit.

17 THE DEFENDANT: Yes, sir.

18 THE COURT: So I don't know, have you had a chance to
19 talk with him about that, Mr. Lennon, and do you have a view
20 one way or the other?

21 MR. LENNON: Yes, Your Honor. And I think, you know,
22 it goes both ways. He has some serious issues about traveling,
23 but I think it's better to address that in 30 months at a place
24 that's lower security. I have been to Milan and that's just --
25 I don't think that's the appropriate setting for him.

1 THE COURT: I can think of places that would be more
2 fitting, too.

3 MR. LENNON: Yes, Your Honor. We'll try to figure out
4 how to get him there. We'll get him there. And I think that's
5 better. I think closest, though, would actually -- allows the
6 Bureau of Prisons to decide what is best for him and closest.

7 THE COURT: Okay. So closest within the overall grid?

8 MR. LENNON: Yes, Your Honor.

9 THE COURT: Okay. Anything else from the Defense?

10 MR. LENNON: No, Your Honor. Thank you.

11 THE COURT: Mr. Presant?

12 MR. PRESANT: No. Thank you, Your Honor.

13 THE COURT: Okay. Thank you.

14 THE CLERK: Court is adjourned.

15 (Proceeding concluded, 4:49 p.m.)

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1 REPORTER'S CERTIFICATE
23 I, Paul G. Brandell, Official Court Reporter for the
4 United States District Court for the Western District of
5 Michigan, appointed pursuant to the provisions of Title 28,
6 United States Code, Section 753, do hereby certify that the
7 foregoing is a full, true and correct transcript of the
8 proceedings had in the within entitled and numbered cause on
9 the date hereinbefore set forth; and I do further certify that
10 the foregoing transcript has been prepared by me or under my
11 direction.12
13
14 /s/ Paul G. Brandell15 Paul G. Brandell, CSR-4552, RPR, CRR
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